MEDI-CAL UPDATE Part 2
Billing and Policy
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# Vision Care

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## Federal Deficit Reduction Act of 2005 Requirements Implemented

Effective January 1, 2007, all new provider applicants and all providers subject to re-enrollment processing will be required to certify that they comply with Section 1902(a) of the Social Security Act.

On February 8, 2005, President Bush signed into law the Deficit Reduction Act (DRA), which requires specified changes to Medicaid (Medi-Cal in California) law. One of those changes is the requirement for employee education about false claims recovery. These changes go into effect on January 1, 2007.

This article contains information about both the state and federal law regarding this new requirement. This article also serves as the official notice of new federal requirements for Medi-Cal providers in California.

**Federal Law**

Section 6032 of the DRA requires any entities that receive or make annual payments under the State Plan (Medi-Cal in California) of at least $5 million, as a condition of receiving such payments, to have established written policies and procedures about the Federal and State False Claims Act for their employees, agents and contractors.

Specifically, Section 6032 amends the Social Security Act, Title 42, United States Code, Section 1396a(a), by inserting an additional relevant paragraph, (68). To summarize, this new paragraph mandates that any entity that receives or makes payments under the State Plan of at least $5 million annually, as a condition of receiving such payments, must comply with the following requirements:

1. Establish written policies for all employees of the entity, including management and any contractor(s) or agent(s) of the entity. These written policies shall provide detailed information about the following:
   - Federal False Claims Act, including administrative remedies for false claims and statements established under Title 31, USC, Chapter 38.
   - State laws pertaining to civil or criminal penalties for false claims and statements; whistleblower protections under such laws; and the role of these laws in preventing and detecting fraud, waste and abuse in Federal health care programs.
2. The written policies must include details about the entity's policies and procedures for detecting and preventing fraud, waste and abuse.
3. Any employee handbook for the entity must include specific discussion of the laws about false claims and statements; the rights of employees to be protected as whistleblowers; and the entity's policies and procedures for detecting and preventing fraud, waste and abuse.

## Modifier Requirement for Prosthetic Eye Codes

Effective for dates of service on or after October 18, 2006, the following prosthetic eye HCPCS codes must be billed with modifier NU (new equipment) or RP (repair/replacement).

| HCPCS Code | Description |
|---|---|
| V2623 | Prosthetic, eye; plastic, custom |
| V2627 | Scleral cover shell |
| V2628 | Fabrication and fitting of ocular conformer |
| V2629 | Prosthetic eye, other type |

*This information is reflected on manual replacement pages modif used vc 4 (Part 2) and pro serv 5 (Part 2).*

## Modifications to Selected HCPCS Update Policies

Effective for dates of service on or after January 1, 2007, selected policies related to the 2006 updates to the *Current Procedural Terminology – 4th Edition* (CPT-4) and Healthcare Common Procedure Coding System (HCPCS) are modified.

**Documentation Requirements for Retisert™**
When submitting *Treatment Authorization Requests* (TARs) for HCPCS code C9225 (fluocinolone acetonide intravitreal implant [Retisert™]), the following must be included:

- Documentation that the patient has chronic non-infectious uveitis affecting the posterior segment of the eye
- Documentation identifying the types of conventional treatment used and explanation as to why the treatment did not work, such as non-responsiveness, intolerability, etc.
- One of the following ICD-9 diagnosis codes:
  - 363.00 – 363.08 (focal chorioretinitis and focal retinochoroiditis)
  - 363.10 – 363.15 (disseminated chorioretinitis and disseminated retinochoroiditis)
  - 363.20 (chorioretinitis, unspecified)

**Cutback Policy for Initial Inpatient Consultation Services**
Reimbursement for initial inpatient consultation services (CPT-4 codes 99251 – 99255) is limited to once per month. Due to the recent deletion of CPT-4 codes 99261 – 99263, second and subsequent claims billed for the same month will be cut back as follows:

| Billed Code | Cutback Code |
|---|---|
| 99251 | 99231 |
| 99252 | 99231 |
| 99253 | 99232 |
| 99254 | 99232 |
| 99255 | 99232 |

## 2007 CPT-4/HCPCS Code Update Reminder

The 2007 updates to *Current Procedural Terminology – 4th Edition* (CPT-4) codes and Healthcare Common Procedure Coding System (HCPCS) Level II codes become effective for Medicare on January 1, 2007. The Medi-Cal program has not yet adopted the 2007 updates. Providers must not use the 2007 codes to bill for Medi-Cal services until notified to do so in a future *Medi-Cal Update*.

## California Children's Services Program Updates

Updates to the California Children's Services (CCS) Service Code Groupings (SCGs) are as follows:

| Code | SCGs Updated | Effective for Dates of Service on or after: |
|---|---|---|
| Z5956 | 04 | July 1, 2004 |
| Z0306 | 01, 02, 03 and 07 | July 1, 2006 |
| C9225 | 01, 02, 03 and 07 | November 1, 2006 |
| J3490 | 01, 02, 03 and 07 | December 1, 2006 |
| J3590 | 01, 02, 03 and 07 | December 1, 2006 |

**Reminder:** SCG 02 includes all codes found in SCG 01, plus additional codes applicable only to SCG 02. SCG 03 contains all codes found in SCG 01 and 02, plus additional codes applicable only to SCG 03. SCG 07 contains all codes found in SCG 01, plus additional codes applicable only to SCG 07.

**New Medical Therapy SCG Added**
Effective retroactively for dates of service on or after November 1, 2006, a new SCG has been added. Medical Therapy (SCG 11) codes are used by physical and occupational therapists. The codes contained in this new SCG are not included in any other SCG and SCG 11 does not include codes from any other SCGs.

*This information is reflected on manual replacement pages cal child ser 1, 3, 16 and 24 (Part 2).*

# Instructions for Manual Replacement Pages — Part 2

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| | |
|---|---|
| Remove | cal child ser 1 thru 4, 15/16 and 23 |
| Insert: | cal child ser 1 thru 4, 15/16 and 23/24 |
| Remove and replace: | medi non hcp 3 * |
| | modif app 5/6 * |
| | modif used vc 3/4 |
| | pro serv 5/6 and 15/16 * |

* Pages updated due to ongoing provider manual revisions.